



# MEMORANDUM

TO: BOS

FROM: Rose Martinez, Chief Deputy, Schools

DATE: August 2, 2018

RE: Cash Deficit correction approval FY19 tax rates

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This memo is in regards to the 4 school districts in our county with a cash deficit:

1. Benson Unified School District amount \$370,491.00 rate: 0.5384
2. Bisbee Unified School District amount \$311,445.17 rate: 0.5845
3. Douglas Unified School District amount \$1,963,278.93 rate: 2.7701
4. Elfrida Elementary School amount \$22,540.00 rate: 0.2682

**Benson-** Benson Unified School District will have a cash deficit due to several factors:

1. Revenue did not match our budget capacity due to 1617 carry forward not being incorporated into our tax rate for FY1718 and underestimating enrollment for 1718.
2. There was a tax judgment that reduced our tax levy by at least \$70,000.
3. We have carry forward from 1718 budget in the approximate amount of \$40,000 that needs to be covered in our tax levy for FY1819.
4. We had an outstanding line of credit payment at July 1 that needs to be covered.

**Bisbee-** Bisbee USD ended FY18 with a cash deficit of \$311,445.17. The cash deficit is due to the under collection of required tax revenue during the budget year. Required correction for the district is to collect the cash shortage in FY19 which requires approval of an increase in the tax rate.

**Douglas-** separate letter dated July 17, 2018.

**Elfrida:** credit line carry over balance